

CONFIDENTIAL

3 December 1954

MEMORANDUM FOR: Mr. Eugene B. Wilhelm, Asst. to DD/I
Mr. Charles N. Mason, C/Budget Div.

SUBJECT: Reexamination of the Reimbursement
Question

1. As you know, Mr. Bissell has arranged with Mr. Amory and Mr. White for us to work together in the preparation of a staff paper on the above question. Mr. Bissell has informed me that a tentative schedule provides for the submission of our paper to the two deputies and himself prior to Christmas, looking toward discussions with the Director and Deputy Director early in January.

2. Mr. Bissell has requested that our paper canvass all the possibilities and argue frankly the implications of them in terms of practical effects as well as taking into account any legal factors which pertain.

3. As history and provocation for our discussion, I am making available to you herewith the following papers:

a. IAC-D-73, which in a sense was the beginning of a reexamination of the problem of State's poverty;

b. A redraft of that paper which reflected the tentative views at that time (October 1953) of the DDA, the General Counsel, and the then OIC;

c. A memorandum from Mr. Amory to the Director which has attached to it a draft longer paper prepared by Gene Wilhelm for Mr. Amory and which I understand did not go forward;

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d. A factual review of CIA's financial relations with the State Department, submitted to the Director by the Inspector General.

4. In view of the short time that we have to conclude on this, I would be very appreciative if you could read these papers, give the matter some thought, and meet with me in my office at 2:30 on Tuesday, 7 December, for discussion of this question and to agree on how we might proceed most directly and effectively in view of our deadline. I recognize that there may be officers in your area from whose ideas and experience we could profit in these discussions. If it suits your convenience to have them join us, please feel free to have them read these papers and to invite them.

**JAMES O. REBER
Office of the Director**

Attachments

Planning and Coordination Staff

OD/PCS:JQR:KM (3 December 54)

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